

Domestic Market Highlights:

Total rice stock in central pool stock as on September,01st 2015 is 16.31 million tonnes which is down by around 2 million tonnes from last month stock. Out of four zones, south and north zone are major with contribution of 50.49 lakh tonnes and 43.44 lakh tonnes respectively.

According to FAO, Pakistan Basmati FOB in the month of August traded firm by 2.24% from the previous month and currently hovers in the range of USD 888/MT, Similarly, Indian FOB in the month of Aug moved up from last month and currently is in the range of USD 895-896/MT.

All India average wholesale rice prices firmed slightly in August 2015 by 0.67%. Demand from local and foreign buyers were the main reason for firmness in the period.

Aromatic rice monthly average prices in the month of August were weak by 3-13% in all major markets of Amritsar, Karnal and Delhi, due to frail demand from bulk buyers. We expect that basmati rice prices in India to decline in the coming months as supplies from the on-going kharif crop would reach the market while there is still no confirmation over the resumption of rice imports from Iran.

Total rice planting to India's main crop (June-December) stood 34.58 million hectare as of Aug-28, 2015 which is up by 0.41 lakh Ha during same period last year.

As per initial surveys taken by All India Rice Exporters' Association, Basmati acreage in India for the 2015-16 Kharif season is likely to remain the same as last year even as prices had dropped considerably to Rs.2,000-2,900/quintal in 2014-15 from as much as Rs.4,000 the year before. Area under basmati cultivation touched 2.1 million hectares (mh) last year and sufficient rainfall across Haryana and Punjab – which account for as much as 70 per cent of basmati output – through most of the ongoing monsoon season has resulted in consistent planting. India produced 8.3 million tonnes of basmati rice last year. In 2014-15, Pusa-1121 was planted on around one million hectare while Pusa-1509 was covered between 0.5 and 0.7 mh. There has been a slight change this year and 1121 will cover 1.3-1.35 mh while 1509 may slide to between 0.35 and 0.4 mh.

As per 4th Advance Estimates for 2014-15, total foodgrains production in the country is estimated at 252.68 million tonnes which is lower by 12.36 million tonnes than the last year's record food grains production of 265.04 million tonnes. Total production of rice is estimated at 104.80 million tonnes which is lower by 1.85 million

tonnes than the last year's record production of 106.65 million tonnes. Fourth Advance Estimates are released in July-August and by this time fully firmed up data on area as well as yield of Kharif crops and rabi crops are expected to be available with the States. As such, Fourth Advance Estimates are considered to be almost as good as Final Estimates released in next February along with Second Advance Estimates for the subsequent agricultural year.

Total rice exports for MY-2014-15 till August-15 was 109 Lakh tonnes which was up by around 18% from last year's export of 93.41 lakh tonnes for the same period. Non-basmati rice exports in the month of August was 5.6 lakh tonnes and basmati exports in the month was 2.68 lakh tonnes.

With good rainfall this monsoon season, Rajasthan is likely to have bumper kharif crop production as the sowing was done in 144 lakh hectare area so far as against a target of 157 lakh hectare in 2015. With the excess rainfall as compared to last year, the sowing targets of kharif crops including Bajra, Sorghum, cereals, rice, and pulses were achieved at an average of 92 per cent so far.

Price Outlook:-Average Rice price in all India is likely to trade steady to firm with lean season in coming days.

International Market Highlight:

The Thailand Ministry of Commerce is set to initiate the 6th rice bidding to release 732,806 tons of the government's in-stock rice, and anticipates a good reception from the private sector.

According to data from the Vietnam Food Association (VFA), Vietnam exported about 3.492 million tons of rice in January 1 - August 20, 2015, down about 18% from about 4.26 million tons of rice exported in first eight months of 2014. The average rice export price so far in this year stands at about \$414 per ton (FOB), down about 4% per ton from about \$431 per ton recorded during same last year.

As per statement given by Thai commerce ministry, China will buy 1 million tonnes of rice from Thailand, easing pressure on a military government struggling to shift stockpiles of the grain accumulated under a previous farm-subsidy programme. Thai Commerce Minister Chatchai Sirikalya, following a visit to China recently and said that country agreed to buy 1 million tonnes of rice to be delivered at year-end. Thailand, the world's second-largest rice exporter, has about 14.5 million tonne in stockpiles built up under a generous rice subsidy scheme run by a government that was overthrown by the military in May 2014. In December, China would buy 2 million tonnes of rice after the

two countries signed a memorandum of understanding during a two-day regional summit in Bangkok. Thailand commerce minister also stated that Iran has expressed interest in buying rice at the end of August.

For marketing year (MY) 2015/16 (May to April), Bangladesh estimate for total rice area and production is unchanged at 11.8 million hectares and 34.8 million tons. For MY 2014/15, the rice import estimate increased to 1.2 million tons on revised customs data.

Rice Prices in Various Markets:

Sept 08-2015	White Rice 5% Broken	White Rice 25% Broken
Gujarat	2490.75	2324.70
Andhra Pradesh	2470.50	2135.50

In Rs./Quintal

Rice Prices in Various Markets

Market	Arrivals	Variety	Minimum Price	Maximum Price	Modal Price
	(Tonnes)		(Rs./Quintal)	(Rs./Quintal)	(Rs./Quintal)
Andhra Pradesh					
Addanki	NR	B P T	3950	4000	3980
Kandukur	0.1	B P T	3600	3700	3650
Kondapi	0.1	B P T	3600	3800	3700
Assam					
Dhekiajuli	17	Common	2000	2200	2100
		Fine	2300	2600	2500
North Lakhimpur	6	Common	1800	2000	1900
		Fine	2600	2800	2700
		Super Fine	3000	4000	3500
Bihar					
Kishanganj	NR	Other	2400	2800	2600
Gujarat					
Jambusar	NR	Other	2700	5700	3700
Jharkhand					
Bermo	NR	Coarse	2100	2300	2300
		Fine	2800	3000	3000
Chakulia	NR	Fine	2140	2330	2250

		Medium	1960	2050	2030
Daltenganj	NR	Other	2230	2400	2370
Godda	NR	Medium	3000	3200	3100
		Other	2200	2600	2400
Jamshedpur	NR	Fine	3610	3650	3630
		Medium	2500	2600	2560
		Other	2100	2150	2120
Latehar	NR	Boiled Rice	1850	2000	1900
		Fine	2800	3000	2900
		Medium	2400	2600	2500
Lohardaga	NR	Common	1800	2100	2000
		Fine	2700	3200	2900
		Medium	2200	2435	2340
Ranchi	NR	Coarse	1800	2300	2100
		Fine	3000	6000	3200
		Medium	2350	2800	2400
Orissa					
Balugaon	12	Sona Mansoori Non Basmati	3000	3200	3100
Bhanjanagar	0.1	Common	2000	2200	2100
Bonai	0.2	Other	2200	2400	2400
Tripura					
Chowmanu	0.8	Sona Mansoori Non Basmati	2500	2600	2550
Uttar Pradesh					
Mirzapur	5	Other	1960	2020	1980
West Bengal					
Champadanga	10	Ratnachudi (718 5-749)	2400	2600	2500
Garbeta(Medinipur)	32	Other	2280	2330	2300
Islampur	3	Other	2100	2200	2150
Kalipur	107	Other	1900	2000	1950
		Sona Mansoori Non Basmati	1750	1850	1800
Pandua	46	Ratnachudi (718 5-749)	2350	2550	2450
Sealdah Koley Market	60.9	Fine	2200	2300	2300
Sheoraphuly	11	Ratnachudi (718 5-749)	2600	2700	2650

(Arrivals and Prices in Rs/Qtl)

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